

**ASSEMBLY BILL**

**No. 566**

---

**Introduced by Assembly Member Nava**

February 25, 2009

---

An act to amend Section 66427.5 of the Government Code, relating to mobilehome parks.

LEGISLATIVE COUNSEL'S DIGEST

AB 566, as introduced, Nava. Mobilehome parks: conversion.

(1) The Subdivision Map Act requires a subdivider, at the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a mobilehome park to resident ownership, to avoid the economic displacement of nonpurchasing residents by obtaining a survey of support of residents of the mobilehome park for the proposed conversion, among other things. A violation of the act is a crime punishable as a felony or a misdemeanor.

This bill would require that survey of residents of the mobilehome park for proposed conversion to demonstrate support of a majority of the residents of the mobilehome park. The bill also would state that a local agency is not prohibited from enacting reasonable measures by ordinance to prevent sham conversions or to preserve affordable housing. Because the bill would expand the scope of an existing crime, it would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 66427.5 of the Government Code is  
2     amended to read:  
3     66427.5. At the time of filing a tentative or parcel map for a  
4     subdivision to be created from the conversion of a rental  
5     mobilehome park to resident ownership, the subdivider shall avoid  
6     the economic displacement of all nonpurchasing residents in the  
7     following manner:  
8     (a) The subdivider shall offer each existing tenant an option to  
9     either purchase his or her condominium or subdivided unit, which  
10    is to be created by the conversion of the park to resident ownership,  
11    or to continue residency as a tenant.  
12    (b) The subdivider shall file a report on the impact of the  
13    conversion upon residents of the mobilehome park to be converted  
14    to resident owned subdivided interest.  
15    (c) The subdivider shall make a copy of the report available to  
16    each resident of the mobilehome park at least 15 days prior to the  
17    hearing on the map by the advisory agency or, if there is no  
18    advisory agency, by the legislative body.  
19    (d) (1) The subdivider shall obtain a survey ~~of demonstrating~~  
20    support of *a majority of the* residents of the mobilehome park for  
21    the proposed conversion.  
22    (2) The survey of support shall be conducted in accordance with  
23    an agreement between the subdivider and a resident homeowners'  
24    association, if any, that is independent of the subdivider or  
25    mobilehome park owner.  
26    (3) The survey shall be obtained pursuant to a written ballot.  
27    (4) The survey shall be conducted so that each occupied  
28    mobilehome space has one vote.  
29    (5) The results of the survey shall be submitted to the local  
30    agency upon the filing of the tentative or parcel map, to be  
31    considered as part of the subdivision map hearing prescribed by  
32    subdivision (e).  
33    (e) The subdivider shall be subject to a hearing by a legislative  
34    body or advisory agency, which is authorized by local ordinance  
35    to approve, conditionally approve, or disapprove the map. The

1 scope of the hearing shall be limited to the issue of compliance  
2 with this section.

3 (f) The subdivider shall be required to avoid the economic  
4 displacement of all nonpurchasing residents in accordance with  
5 the following:

6 (1) As to nonpurchasing residents who are not lower income  
7 households, as defined in Section 50079.5 of the Health and Safety  
8 Code, the monthly rent, including any applicable fees or charges  
9 for use of any preconversion amenities, may increase from the  
10 preconversion rent to market levels, as defined in an appraisal  
11 conducted in accordance with nationally recognized professional  
12 appraisal standards, in equal annual increases over a four-year  
13 period.

14 (2) As to nonpurchasing residents who are lower income  
15 households, as defined in Section 50079.5 of the Health and Safety  
16 Code, the monthly rent, including any applicable fees or charges  
17 for use of any preconversion amenities, may increase from the  
18 preconversion rent by an amount equal to the average monthly  
19 increase in rent in the four years immediately preceding the  
20 conversion, except that in no event shall the monthly rent be  
21 increased by an amount greater than the average monthly  
22 percentage increase in the Consumer Price Index for the most  
23 recently reported period.

24 (3) *Nothing in this section shall be construed as prohibiting a*  
25 *local agency from enacting reasonable measures by ordinance to*  
26 *prevent sham conversions or to preserve affordable housing.*

27 SEC. 2. No reimbursement is required by this act pursuant to  
28 Section 6 of Article XIII B of the California Constitution because  
29 the only costs that may be incurred by a local agency or school  
30 district will be incurred because this act creates a new crime or  
31 infraction, eliminates a crime or infraction, or changes the penalty  
32 for a crime or infraction, within the meaning of Section 17556 of  
33 the Government Code, or changes the definition of a crime within  
34 the meaning of Section 6 of Article XIII B of the California  
35 Constitution.